

Message Text

UNCLASSIFIED

PAGE 01 VIENTI 07731 141133Z

14

ACTION EA-14

INFO OCT-01 ISO-00 EB-11 COME-00 TRSE-00 SCEM-02 SCI-06

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-04 RSC-01 PRS-01 SPC-03 SS-20 USIA-15 ACDA-19

IO-14 OMB-01 AID-20 INT-08 DRC-01 /174 W

----- 121396

R 141004Z NOV 73

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC 6611

INFO AMEMBASSY BANGKOK

UNCLAS VIENTIANE 7731

E.O. 11652: N/A

TAGS: ENRG

SUBJECT: FUEL SHORTAGE HITS VIENTIANE

1. WORLD FUEL SHORTAGE WAS FELT IN VIENTIANE NOVEMBER 13 AS FUEL SHORTAGES IN THAILAND AND UNCERTAINTIES ABOUT THEIR EFFECT ON LAO FUEL PRICES WERE REFLECTED HERE. IN SHORTEST SUPPLY WAS HIGH-SPEED DIESEL FUEL USED BY MOST TRUCKS, WITH LOCAL OIL COMPANY STOCKS VIRTUALLY DEPLETED AND CONSUMERS BESIEGING CITY GAS STATIONS FOR THE LAST DROPS AVAILABLE. GASOLINE WAS IN BETTER SUPPLY (7 TO 30 DAYS SUPPLY DEPENDING ON THE BRAND) BUT VIENTIANE MOTORISTS WERE BUYING EVERYTHING AVAILABLE AS QUICKLY AS THEY COULD IN ANTICIPATION BOTH OF SHORTAGES AND OF A RISE IN PRICES. SOME STATIONS WERE REPORTED TO BE PUMPING GAS FROM UNDERGROUND TANKS INTO BARRELS TO FACILITATE SALES AT PRESENT TAX RATES AFTER PRICE INCREASES ARE AUTHORIZED. SEVERAL INDIVIDUALS APPERATED TO BE SPECULATING IN OIL FUTURES TO THE EXTENT OF BUYING A 55-GALLON DRUM OR TWO FOR RESALE IN A FEW DAYS.

2. THE MINISTRY OF FINANCE CALLED A MEETING WITH LOCAL OIL COMPANY REPRESENTATIVES LATE NOVEMBER 13 TO DISCUSS NEW
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VIENTI 07731 141133Z

FUEL PRICES FOR LAOS IN RESPONSE TO THAI INCREASES JUST

AUTHORIZED. THE COMPANIES AGREED THAT LOCAL PRICES

WOULD HAVE TO BE RAISED IN PROPORTION TO THE THAI INCREASES,
WHICH RANGE FROM 17 PERCENT ON PREMIUM GAS TO 34 PERCENT
ON DIESEL FUEL. THEY EXPECT TO PRESENT THEIR PRICE
PROPOSALS FOR THE APPROVAL OF THE MINISTRY ON NOVEMBER 15.

3. MOST FUELS USED IN LAOS COME FROM THAI REFINERIES OF INTER-
NATIONAL OIL COMPANIES ALTHOUGH
SOME LUBRICANTS ARE IMPORTED FROM SINGAPORE, AND LOCAL
IMPORTERS FEAR THAT THE THAI GOVERNMENT MAY EVENTUALLY
RESTRICT EXPORTS TO MEET ITS OWN INTERNAL FUEL NEEDS.
NEW PRICE INCREASES SHOULD INCURE ADEQUATE SUPPLIES IN
VIENTIANE. BUT THAI DEPENDENCE ON MIDDLE
EAST SOURCES (AS WELL AS INDONESIA) MAY CAUSE FUTURE
REGIONAL SHORTAGES THAT WOULD BE FELT SEVERELY IN LAOS.
DEAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PRODUCTS, SUPPLIES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973VIENTI07731
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731133/aaaaayaa.tel
Line Count: 78
Locator: TEXT ON-LINE
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: thigpegh
Review Comment: n/a
Review Content Flags:
Review Date: 01 FEB 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01-Feb-2002 by elbezefj>; APPROVED <05-Feb-2002 by thigpegh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FUEL SHORTAGE HITS VIENTIANE
TAGS: ENRG, LA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005